

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 10/23/2024

Staff Report No. 24-512

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Strategic Plan Update

BRIEFING ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving the Semi-annual Strategic Plan progress update and the development of the Strategic Plan 2025.

Staff Contact:
Ramakrishna Pochiraju, Executive Director of Planning & Engineering

STRATEGIC IMPORTANCE:

The Strategic Plan contains the District's vision, mission, and core values, which serve as the foundation for the organization to build, operate, and maintain a diverse bus transit system in the East Bay.

BUDGETARY/FISCAL IMPACT:

There is no specific fiscal impact associated with this briefing item.

BACKGROUND/RATIONALE:

The Strategic Plan is a policy document which was approved by the Board of Directors in April 2019 and amended in May 2022. The amended plan describes the District's "Revive & Thrive" future scenario, focusing on a business environment with a customer experience lens that allows the District to navigate changing conditions. The "Revive & Thrive" scenario brings to the forefront finance, service quality/customer experience, Diversity, Equity, Inclusion, and Accessibility (DEIA), shared mobility/innovation, public and political support, and health and safety as focus areas to guide the District toward reaching success in achieving its goals.

This staff report provides an update on the plan's performance that guides actions toward the current mission of the District: "We deliver safe, reliable, sustainable, and accessible transit service that responds to the needs of our customers and communities." Staff continues to collaborate and partner with the District's labor unions, industry associations, and external agencies to prioritize core business functions within the region that are aligned with the following strategic goals:

- Safe and Secure Operations
- Convenient and Reliable Service
- Financial Stability and Resiliency
- High-Performance Workforce
- Strong Public and Policymaker Support
- Environmental Improvements
- Prioritize DEIA

Progress Updates by Strategic Goal

The Strategic Plan Dashboard (Attachment 1) summarizes progress made on each strategic goal and includes a metrics timeline and ongoing activities during the reporting period from April through September of 2024. The dashboard is a rollup based on the Strategic Metric Progress Report (Attachment 2) that provides activity information on each metric and the status code labeled as Complete, In Process, or Upcoming. Provided below are progress updates for each goal. Please refer to the attachment for information specific to each metric.

Goal: Safe and Secure Operations

Safety Management Systems (SMS) workshops were held at District properties to increase awareness of the program and obtain staff feedback for identifying areas of improvement in the programs implementation for safety awareness. To operationalize the Public Transit Agency Safety Plan (PTASP), the District is in the process of procuring an Enterprise Software Platform that is targeting FTA and OSHA Environment, Health and Safety training for AC Transit Safety-Sensitive Personnel. Staff continues its efforts to address safety events and injuries by starting the formation of a joint labor and management safety committee. Phase 3 of permanent bus operator safety barrier installation has been completed and 50 new buses expected this year will also include permanent bus operator safety barriers.

Goal: Convenient and Reliable Service

Staff has completed a Draft Final Plan for the AC Transit Realign and is scheduled to present it to the Board in October 2024 for approval. Transit Performance Initiatives have been completed on San Pablo, Grand and Decoto and additional initiatives are in progress, both contributing to the District's objective to accelerate capital improvements that directly enhance service. Progress on the Hayden AI project includes the start of automated camera enforcement for Tempo Bus Only Lanes which began in June. The communications and outreach efforts for the education and warning citation period for citations at bus stops and Bus Only lanes in Alameda County went live in August. Three additional Road Supervisor positions were approved which will increase Transportation's ability to create an On-Time Performance Team to monitor low performing routes and take action to increase KPI performance.

Focusing on ease-of-use improvements, the District is introducing new website features, including a revamped Lost & Found claims page that now displays photos to help users locate their missing items. Additionally, the District has launched the public "beta" version of its new rider mobile app, kicking off the Mobile 2.0 initiative. This brings significant improvements for riders and establishes an innovation hub for AC Transit to make its mark on the broader transit industry.

The District continues to provide mutual aid and bus bridge support to stabilize transit operations by sharing personnel, equipment, and vehicles to maintain service continuity by linking areas cut off by rail or other transit interruptions. The District demonstrated its flexibility in July when BART experienced a 2-day power outage, where frontline staff of Bus Operators, Road Supervisors, Mechanics, Service Employees, and the Operations Control Center (OCC) were used to ensure that Tempo, 6, 12, 14, 18, 19, 20, 33, 36, 40, 51A, 51B, 54, 57, 72, 72R, 72M, 73, 88, F, and NL supported mutual aid to riders navigating the East Bay.

Goal: Financial Stability and Resiliency

The District received another positive indicator of financial health when Moody's kept the District's credit rating at A1 with a stable outlook. This was Moody's' first full review of AC Transit since November 2019. The District's FY 24-25 budget increased by 6.5% over FY 23-24, but the increases were almost entirely in non-discretionary categories. Staff was able to keep discretionary budgets nearly flat. Continued system and process improvements by Procurement and Accounts Payable have reduced the average vendor payment time to 26 days. This is within our standard terms of 30 days, and a 30% improvement over the prior year.

As a part of the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) consortium, AC Transit was awarded funds by the to further develop its hydrogen fueling infrastructure, introduce new ZEB buses, and implement its comprehensive workforce development plan.

In addition, the District secured \$1.8M in federal funding through the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act (THUD), also known as Community Project Funding, to support the installation of hydrogen sensing technology and equipment at CMF, which is crucial for safely maintaining zero-emission vehicles. AC Transit was awarded an FTA 2024 Low and No Emissions grant towards the construction of a hydrogen fueling station at D6 Hayward and additional fuel cell buses. Staff continues to work on securing the remaining funds required for this project.

Goal: High-Performance Workforce

This summer, a historic milestone in public transportation was achieved as AC Transit, Chabot College, and Amalgamated Transit Union (ATU) Local 192 launched a unique partnership. The 30-year State of California Heavy Duty Coach Mechanic Apprenticeship program is now an unprecedented venture with a fully accredited 26-college-unit program.

The District rolled out an updated Crisis Intervention Peer Support Program. This program benefits Operators who may experience crisis while at work. Recently, the District certified nine ATU Local 192 Bus Operators to officially become new Line Instructors. The instructors are responsible for training new drivers and providing ongoing education for current staff on operational procedures, safety protocols, and customer service standards.

Goal: Strong Public and Policymaker Support

Multiple Tours were conducted for legislative officials including Congresswoman Barbara Lee, the office of US Senator Alex Padilla and Assemblymember Lori Wilson. A tour of the Training & Education Center (ZEBU) featuring the interactive augmented reality classrooms was conducted during the Megaproject event tours

with the Department of Labor’s Office of Federal Contract Compliance Programs.

The District met with members of its Federal delegation in Washington DC in April 2024 and with State Delegation members in Sacramento in May 2024. Outreach efforts for Realign were conducted through Fall 2024 in support of the development of the Daft Final Plan. Title VI Fare Policy Outreach was implemented and completed in April 2024 to inform the Title VI Fare Equity Analysis presented to the Board in June 2024. A new co-marketing partnership has been established with Oakland’s new independent baseball team, the Oakland Ballers.

The American Public Transportation Association (APTA) has again honored the District with the 2024 AdWheel Grand Award for the “Spring Into Your New Career” hiring event. It is AC Transit’s second consecutive year that the District has taken home the top-spot for Best Marketing and Communications on Workforce Development.

Goal: Environmental Improvements

As a prestigious acceptance for sustainability, the District was one of only five transit agencies nationwide chosen to participate in the Federal Transit Administration’s (FTA) elite Environmental & Sustainability Management System (ESMS) Institute. The Climate Action and Sustainability Plan (CASP) was presented to the Board to include sustainability metrics that will be tracked annually. Staff introduced a brief training session on the District’s sustainability program as part of New Bus Operator training that showcased how the District is incorporating sustainability best practices throughout its operations and celebrating events such as Clean Air Day, National Recycling Day, and Earth Day.

AC Transit was selected by the California Air Resource Board (CARB) to host the first-ever Generation Zero: Interactive ZEB Technology Experience. CARB, AC Transit, CALSTART, and CTTC hosted attendees from over 22 CA transit agencies for a tour of ZEB infrastructure at the D2 Emeryville facility on September 20th and provided ZEB demonstrations and hands-on interactive informational sessions at the TEC in Hayward on September 21st.

Staff developed guiding principles for transitioning the non-revenue vehicles to zero-emission technology to support the revenue service delivery. The principles include replacing the fleet per the FTA mandated Transit Asset Management (TAM) Plan performance targets, meeting the California Advanced Clean Fleets Regulation when purchasing vehicles over 8,500 lbs., procuring Zero Emission Vehicles (ZEV) based on funding/vehicle availability, infrastructure technology capabilities, and duty cycle, deploying ZEV technology that is the most efficient and sustainable to operate, and targeting 100% ZEV fleet transition by 2040.

Goal: Prioritize Diversity, Equity, Inclusion and Accessibility

In May 2024, Ivy Planning Group (DEIA Consultant) presented the findings from the survey, focus group and interviews to the Board of Directors during the Board’s retreat. Staff continues to work to identify areas of improvement in policies and procedures to ensure equity and inclusion. Implementation of other recommendations from Ivy Planning Group including hiring a full time DEIA employee are currently on hold until funding is identified and approved by the Board.

Strategic Plan 2025

The Strategic Plan 2025 initiative is intended to be the first of regularly scheduled updates to the Strategic Plan. The 2025 plan will evaluate any elements of the current plan that the Board would like to revisit, and will include a Strengths-Weaknesses-Opportunities-Threats (SWOT) analysis, scenario planning, and review of the vision and mission statements, goals, and initiatives.

The 2019 strategic plan and the 2022 amendment focused on identifying and launching initiatives, multi-department efforts to tackle large-scale challenges - a way to break down silos within the organization. The emphasis of the 2025 plan will be to examine measures of effectiveness and document progress in actionable ways, including progress from the riders' perspective.

Development of the 2025 plan will include interviews with Board members which could begin as early as February 2025. Staff's goal is to complete the final plan by the end of calendar year 2025. Staff intends to hire an outside consultant to support this effort.

ADVANTAGES/DISADVANTAGES:

There are no advantages or disadvantages associated with this report. It is intended to provide an update on strategic activities.

ALTERNATIVES ANALYSIS:

This report does not recommend an action; therefore, no alternatives analysis is presented.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 21-372b Strategic Plan Addendum

ATTACHMENTS:

Strategic Plan Dashboard
Strategic Metric Progress Report

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